(b) and (c) Yes, Sir. The Printing of Rs. 5/- denomination bank notes has been resumed during 2001-02 to meet the shortage of Rs. 5 coins. Cost of production of a Rs. 5 Bank Note varies between 34.5 Paise to 78 Paise in different Bank Note Presses.

(d) No, Sir.

(e) Printing trial and laboratory tests have determined that polymer substrate has a number of deficiencies and is not suitable for printing of bank notes.

IDBI Loan to Essar Group of Companies

673: SHRI AMAR SINGH
SHRI AIMADUDDIN AHMED KHAN (DURRU):

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether as reported in the Asian Age of July 1, 2002 Indian Financial Institutions specially the IDBI, have doled out an estimated Rs.11,053 crore to the ESSAR group;

(b) if so, whether Government have caused a probe into the basis on which the IDBI and other FIs had written off such astronomical amounts as bad debts, and to trace where the money had gone; if so, the outsome thereof giving Institution-wise and Bank-wise details of the bad debts written off; and

(c) what action has been taken and is being taken against the players in the siphoning the huge sums of money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT G ANGARAM GEETE): (a) to (c) According to the information provided by the Financial Institutions, the aggregate outstanding assistance from the domestic financial Institutions to the Eassar Group of Companies i.e. Essar Oil Ltd. Essar Power, Essar Steel Ltd., Essar Shipping Ltd. and HyGrade Pellets Ltd. is Rs. 7,138 crores. No loans to the Group have been written off by the domestic financial institutions. In accordance with the practice and usages customary amongst the banks and in conformity with the provisions of statutes governing the financial institutions as also the provisions of The Public Financial Institutions (Obligation As to Fidelity and Secrecy) Act,

1983, the information in respect of the constituents of the Public Financial Institutions cannot be divulged.

Domestic FIs have a system of monitoring the projects for which loans are extended by them. The tools of monitoring include scrutiny of periodical returns submitted by the company, certification of end use of funds by Chartered Accountant, periodical visits to the project, reports given by the nominee directors on the Boards of the Companies, reports of concurrent auditors/lender's engineers wherever they are appointed etc.

Recovery of Loss in Central Bank of India

†674. SHRI MUNAVVAR HASAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) Whether it is a fact that C.B.I. has registered a case with regard to a loss of Rs. 36 lakh suffered by Pharganj, New Delhi branch of the Central Bank of India in the month of June, 2002;

(b) if so, the full details thereof;

(c) the details of the persons against whom action is being taken; and

(d) the steps being taken for the recovery of money and to punish the guilty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT G ANGARAM GEETE):

(a) CBI has registered a case agains one Manager and one Assistant Manager of Central Bank of India, Pharganj Branch, New Delhi for defrauding the bank to the extent of Rs. 36 lakhs in connivance with M/s. Rupin Exports and M/s. Shivam Imports & Exports.

(b) to (d) Between 10.01.2002 and 05.02.2002 the Manager in the absence of Sr. Branch Manager issued three letters to the Parliament Street Branch of Central Bank of India advising to remit US$ 58,378.40 to Hong Kong on behalf of M/s. Rupin Exports and M/s. Shivam Imports & Exports falsely certifying that sufficient funds have been kept reserved in their OD/CD accounts. Later he unauthorisedly sanctioned Cash Credit

†Original notice of the question was received in Hindi.